

under this Agreement. Customer hereby accepts and agrees to abide by all of the terms and restrictions of the Software License Agreement.

3.7. NON-MOTOROLA SOFTWARE. Any Non-Motorola Software is licensed to Customer in accordance with the standard license, terms, and restrictions of the copyright owner on the Effective Date unless the copyright owner has granted to Seller the right to sublicense the Non-Motorola Software pursuant to the Software License Agreement attached hereto as Exhibit A, in which case it applies and the copyright owner will have all of Licensor's rights and protections under the Software License Agreement. Seller makes no representations or warranties of any kind regarding Non-Motorola Software.

3.8. SUBSTITUTIONS. At no additional cost to Customer, Seller reserves the right to substitute any Equipment, Software, or services to be provided by Seller, but only if the substitute meets the Specifications and is of equivalent or better quality and value to the Customer. Any such substitution will be reflected in a change order and will require Customer approval.

#### **Section 4 PERFORMANCE SCHEDULE**

4.1 Seller and Customer agree to perform their respective responsibilities in accordance with the Performance Schedule attached hereto as Exhibit C-4. Upon execution of this Agreement, Seller may proceed with performance of this Agreement, subject to Section 15.18.

4.2 PERFORMANCE BONDS. Seller will provide Customer, within ten (10) days of the Effective Date of this Agreement, a Performance Bond in the amount of twenty-five percent (25%) of the contract Price, until such time that the System has been accepted. Said bond may be pro-rated for the final year in the event that the period of time is less than a full twelve-month period. The Customer shall be entitled to call upon the Bonds in the event of a material default of Seller's obligation under this Agreement.

#### **Section 5 PAYMENT OF CONTRACT PRICE**

5.1. CONTRACT PRICE. The Contract Price in U.S. dollars is One Hundred Ninety Five Thousand and 00/100 (\$195,000.00) Dollars. The Payment schedule is attached hereto as Exhibit B. The total Contract Price includes the Customer's purchase of Equipment and services pursuant to Section 3.1, entitled Scope of Work, above. The parties acknowledge that the maximum obligation of Customer to make payments for the Equipment and services hereunder shall not exceed One Hundred Ninety Five Thousand and 00/100 (\$195,000.00) Dollars, unless otherwise agreed upon by the parties pursuant to Section 3.2 above entitled Change Orders. Seller will submit to Customer invoices for Products when they are received by Customer and for services, if applicable, when they are performed. Customer will make payments to Seller within thirty (30) days after the date of each invoice. Customer will make payments when due in the form of a check, cashier's check, or wire transfer drawn on a U.S. financial institution.

5.2. FREIGHT, TITLE, AND RISK OF LOSS. All freight charges will be pre-paid by Seller and added to the invoices. Title and risk of loss to the Equipment will pass to Customer upon delivery to the Customer site, except that title to Software will not pass to Customer at any time. Seller will pack and ship all Equipment in accordance with good commercial practices.

5.3. LIQUIDATED DAMAGES. Seller shall commence work authorized under this Agreement within sixty (60) calendar days of Effective Date and complete the AFIS Acceptance Test Plan within two hundred ten (210) calendar days of the Effective Date. The parties may subsequently agree to extend these dates and incorporate such changes by means of a mutually agreed upon Change Order to this Agreement.

If Seller is the sole cause of its failure to meet the AFIS Acceptance Test Plan ("Critical Project Milestone"), then Customer will incur costs and expenses. The Parties recognize and agree that the costs of such delays are not readily subject to calculation. Accordingly, the Parties mutually agree and recognized that the liquidated damage sum of One Thousand and 00/100 (\$1,000.00) Dollars per day for each and every calendar day of Seller's delay beyond the scheduled completion date of the Critical Project Milestone



constitutes a reasonable, fair and equitable estimate of the additional costs and expenses that County will incur therefrom.

The total aggregate of liquidated damages accessed against Seller pursuant to this Section shall not exceed Forty Thousand and 00/100 (\$40,000.00) Dollars of the total Contract Price that can be accessed against Seller under this Agreement. Seller shall not be liable for liquidated damages if failure to perform arises out of causes beyond the reasonable control of Seller and without the fault or negligence of Seller (acts of God, the public enemy, fire, floods strikes, freight embargos, etc.). The County's receipt of liquidated damages for Seller's delay Seller shall be the County's sole and exclusive remedy for Seller's delay.

County shall withhold any accessed liquidated damages day from payments due Seller for late completion of the Critical Project Milestone; with any additional liquidated damages not covered by these withholds to be paid directly by Seller to the County. However, Seller is granted a fifteen (15) calendar day cure period to remedy the late delivery of any Critical Project Milestone. If Seller is able to deliver the late Critical Project Milestone within that 15-day period, no liquidated damages will be assessed. If Seller is not able to deliver the late Critical Project Milestone within the fifteen (15) day cure period, the assessment of liquidated damages will be retroactive to the first day the Milestone was late.

## **Section 6      SITES AND SITE CONDITIONS**

6.1.      ACCESS TO SITES. If Seller is providing installation or other services, Customer will provide all necessary construction and building permits, licenses, and the like; and access to the work sites or vehicles as reasonably requested by Seller so that it may perform its contractual duties in accordance with the Technical and Implementation Documents.

6.2.      SITE CONDITIONS. If Seller is providing installation or other services at Customer's sites, Customer will ensure that these work sites be safe, secure, and in compliance with all applicable industry and statutory occupational health and safety standards. To the extent applicable and unless the Statement of Work specifically states to the contrary, Customer will ensure that these work sites will have (i) adequate physical space for the installation, use and maintenance of the Products; (ii) adequate air conditioning and other environmental conditions; (iii) adequate electrical power outlets, distribution and equipment for the installation, use and maintenance of the Products; and (iv) adequate telephone or other communication lines for the installation, use and maintenance of the Products.

## **Section 7      ACCEPTANCE**

7.1.      COMMENCEMENT OF ACCEPTANCE TESTING. Seller will provide to Customer at least ten (10) days notice before the Acceptance Tests commence. System testing will occur only in accordance with the mutually agreed upon Acceptance Test Plan.

7.2.      SYSTEM ACCEPTANCE. System Acceptance will occur upon successful completion of the Acceptance Tests described in the Acceptance Test Plan. Upon System Acceptance, the parties will memorialize this event by promptly executing a System Acceptance Certificate. If the Acceptance Test Plan includes separate tests for individual Subsystems or phases of the System, acceptance of the individual Subsystem or phase will occur upon the successful completion of the Acceptance Tests for such Subsystem or phase, and the parties will promptly execute an acceptance certificate for the Subsystem or phase. If Customer believes that the System has failed the completed Acceptance Tests, Customer will provide to Seller a written notice that includes the specific details of such failure. If Customer does not provide to Seller such notice within ten (10) business days after completion of any Acceptance Tests, System Acceptance will be deemed to have occurred as of the completion of all Acceptance Tests. Minor omissions or variances in the System that do not materially impair the operation of the System as a whole will not postpone System Acceptance or Subsystem acceptance, but will be corrected according to a mutually agreed schedule.



In the event that Customer determines that the System fails the Acceptance Test Plan and Customer has provided Seller written notice as set forth in the Section 7.2, Seller will repair the System or replace the necessary Equipment to comply with the design and functionality specifications contained in the Technical and Implementation Documents in all material respects.

7.3 BENEFICIAL USE. Customer acknowledges that Seller's ability to perform its implementation and testing responsibilities under this Agreement may be impeded if Customer begins using the System before System Acceptance. Therefore, Customer will not commence Beneficial Use before System Acceptance without Seller's prior written authorization, which Seller will not unreasonably withhold. Seller is not responsible for System performance deficiencies that occur during unauthorized Beneficial Use. Upon commencement of Beneficial Use, Customer assumes responsibility for the use and operation of the System.

## **Section 8 REPRESENTATIONS AND WARRANTIES**

8.1. EQUIPMENT WARRANTY. For one (1) year from the date of System Acceptance, Seller warrants that the Equipment under normal use and service will be free from material defects in materials and workmanship. If Seller represents that the System will perform consistently with the System design and functionality specifications contained in the Technical and Implementation Documents in all material respects.

8.2. MOTOROLA SOFTWARE WARRANTY. If the Motorola Software provided under this Agreement is an upgrade of existing Motorola Software licensed by the Customer, no warranty period is provided for the upgraded Motorola Software. Upon installation, Seller will provide continued maintenance services for the Motorola Software in accordance with the terms and conditions of a separate active Maintenance Agreement between the parties. Seller warrants for a one (1) year from the date of shipment, any added quantities of Motorola Software (other than installed Updated or Upgraded software releases) in accordance with the terms of the Software License Agreement and the provisions of this Section applicable to the Motorola Software.

8.3. EXCLUSIONS TO EQUIPMENT AND MOTOROLA SOFTWARE WARRANTIES. These warranties do not apply to: (i) defects or damage resulting from use of the Equipment or Motorola Software in other than its normal, customary, and authorized manner; (ii) defects or damage occurring from misuse, accident, liquids, neglect, or acts of God; (iii) defects or damage occurring from testing, maintenance, disassembly, repair, installation, alteration, modification, or adjustment not provided or authorized in writing by Seller; (iv) breakage of or damage to antennas unless caused directly by defects in material or workmanship; (v) defects or damage caused by Customer's failure to comply with all applicable industry, federal, provincial, and/or local occupational health and safety statutes and regulations; (vi) Equipment that has had the serial number removed or made illegible; (vii) batteries (because they carry their own separate limited warranty); (viii) freight costs to ship Equipment to the repair depot; (ix) scratches or other cosmetic damage to Equipment surfaces that does not affect the operation of the Equipment; and (x) normal or customary wear and tear.

8.4. WARRANTY CLAIMS. Before the expiration of the warranty period, Customer must notify Seller in writing if Equipment or Motorola Software does not conform to these warranties. Upon receipt of such notice, Seller will investigate the warranty claim. If this investigation confirms a valid warranty claim, Seller will (at its option and at no additional charge to Customer) repair the defective Equipment or Motorola Software, replace it with the same or equivalent product, or refund the price of the defective Equipment or Motorola Software. Such action will be the full extent of Seller's liability hereunder. If, in at least three (3) claims during any twelve-month period, Seller's investigation indicates the warranty claim is not valid, then Seller may invoice Customer for responding to the third and any subsequent claims in any twelve-month period on a time and materials basis using Seller's current labor rates. Customer will not be invoiced for items for non-warranty claims if the products are serviced after the warranty period and are covered by a current Maintenance and Support Agreement. Repaired or replaced product is warranted for the balance of the original applicable warranty period. All replaced products or parts will become the property of Seller.



8.5. ORIGINAL END USER IS COVERED. These express limited warranties are extended by Seller to the original user purchasing the Products for commercial, industrial, or governmental use only, and are not assignable or transferable.

8.6. DISCLAIMER OF OTHER WARRANTIES. THESE WARRANTIES ARE THE COMPLETE WARRANTIES FOR THE EQUIPMENT AND MOTOROLA SOFTWARE PROVIDED UNDER THIS AGREEMENT AND ARE GIVEN IN LIEU OF ALL OTHER WARRANTIES. SELLER DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

## **Section 9 DELAYS**

Neither party will be liable for its non-performance or delayed performance if caused by a "Force Majeure" which means an event, circumstance, or act of a third party that is beyond a party's reasonable control, such as an act of God, an act of the public enemy, an act of a government entity, strikes or other labour disturbances, hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, riots, or any other similar cause. Each party will notify the other if it becomes aware of any Force Majeure that will significantly delay performance. The notifying party will give such notice promptly (but in no event later than fifteen days) after it discovers the Force Majeure. If a Force Majeure occurs, the parties will execute a change order to extend the performance schedule for a time period that is reasonable under the circumstances.

## **Section 10 DISPUTES**

10.1. SETTLEMENT PREFERRED. Seller and Customer will attempt to settle any claim or controversy arising from this Agreement (except for a claim relating to intellectual property) through consultation and negotiation in good faith and a spirit of mutual cooperation. The dispute will be escalated to appropriate higher-level managers of the parties, if necessary. If cooperative efforts fail, the dispute will be mediated by a mediator chosen jointly by Seller and Customer within thirty days after notice by one of the parties demanding non-binding mediation. Seller and Customer will not unreasonably withhold consent to the selection of a mediator, and they will share the cost of the mediation equally. The parties may postpone mediation until they have completed some specified but limited discovery about the dispute. The parties may also replace mediation with some other form of non-binding alternative dispute resolution ("ADR").

10.2. LITIGATION. Any claim relating to intellectual property and any dispute that cannot be resolved between the parties through negotiation or mediation within two (2) months after the date of the initial demand for non-binding mediation shall then be submitted by either party to a court of competent jurisdiction in the state in which the Products are delivered. Each party consents to jurisdiction over it by such a court. The use of ADR procedures will not be considered under the doctrine of laches, waiver, or estoppel to affect adversely the rights of either party. Either party may resort to judicial proceedings described in this section before the expiration of the two-month ADR period if (1) good faith efforts to resolve the dispute under these procedures have been unsuccessful; or (ii) interim relief from the court is necessary to prevent serious and irreparable injury to such party or any of its affiliates, agents, employees, customers, suppliers, or subcontractors.

## **Section 11 DEFAULT AND TERMINATION**

11.1 If a party fails to perform or otherwise breaches a material obligation under this Agreement, the other party may consider the non-performing party to be in default, unless a Force Majeure causes such failure. If the performing party asserts a default, it will give the non-performing party written and detailed notice of the default; and the non-performing party will have thirty (30) days thereafter either to dispute the assertion or provide a written plan to cure the default that is acceptable to the performing party. If the non-performing party provides a cure plan, it will begin implementing the cure plan immediately after receipt of the performing party's approval of the plan. If the non-performing party fails to cure the default, the performing party may terminate any unfulfilled portion of this Agreement and recover damages as permitted by law and this Agreement.



11.2 FAILURE TO CURE. If a defaulting party fails to cure the default as provided herein, unless otherwise agreed in writing, the non-defaulting party may terminate any unfulfilled portion of the Agreement. In the event of such termination, the defaulting party will promptly return to the non-defaulting party any of its Confidential Information (as defined in Section 16.1). If Customer is the non-defaulting party, and it terminates this Agreement as permitted by the Section and completes the System through a third party, Customer may as its exclusive remedy recover from Seller reasonable costs incurred to complete the System to a capability not exceeding that specified in this Agreement or if the System cannot be completed by a third party, Seller shall refund to Customer all monies paid by Customer prior to such default. Customer agrees to use its best efforts to mitigate such costs and to provide Seller with detailed invoices substantiating the charges.

11.3 TERMINATION FOR CONVENIENCE. Customer may terminate this Agreement, in whole or in part, for its convenience. In that event Seller will, upon notification, take all reasonable steps to minimize termination costs. The customer shall be liable to Seller for Equipment and software provided and services rendered to the date of notice to terminate and for reasonable costs, which maybe borne by Seller in the termination of subcontracts, removal of installation and test equipment, and other costs directly related to an unforeseen and abrupt termination.

## **Section 12 INDEMNIFICATION**

12.1 GENERAL INDEMNITY BY MOTOROLA. Seller will indemnify and hold Customer harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Customer to the extent it is caused by the negligence of Seller, its subcontractors, or their employees or agents, while performing their duties under this Agreement, provided that Customer gives Seller prompt, written notice of nay such claim or suit. Customer shall cooperate with Seller in its defense or settlement of such claim or suit. This Section sets forth the full extent of Seller's general indemnification of Customer from liabilities that are in any way related to Seller's performance under this Agreement.

12.2 GENERAL INDEMNITY BY CUSTOMER. To the extent permitted by Tennessee law, Customer will indemnify and hold Seller harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which any accrue against Seller to the extent it is caused by the negligence of Customer, its other contractors, or their employees or agents, while performing their duties under this Agreement, provided that Seller gives Customer prompt written notice of any such claim or suit. Seller shall cooperate with Customer in its defense or settlement of such claim or suit. This Section sets forth the full extent of Customer's general indemnification of Seller from liabilities that are in any way related to Customer's performance under this Agreement.

## **Section 13 PATENT AND COPYRIGHT INFRINGEMENT INDEMNIFICATION**

13.1 . Seller will defend at its expense any suit brought against Customer to the extent that it is based on an Infringement Claim, and Seller will indemnify Customer for those costs and damages finally awarded against Customer for an Infringement Claim. Seller's duties to defend and indemnify are conditioned upon: (i) Customer promptly notifying Seller in writing of such Infringement Claim; (ii) Seller having sole control of the defence of such suit and all negotiations for its settlement or compromise; (iii) Customer providing to Seller cooperation and, if requested by Seller, reasonable assistance in the defence of the Infringement Claim.

13.2 . If an Infringement Claim occurs, or in Seller's opinion is likely to occur, Seller may at its option and expense procure for Customer the right to continue using the Equipment or Motorola Software, replace or modify it so that it becomes non-infringing while providing functionally equivalent performance, or grant Customer a credit for the full amount paid by Customer for the Equipment or Motorola Software and accept its return.

13.3. Seller will have no duty to defend or indemnify for any Infringement Claim that is based upon (i) the combination of the Equipment or Motorola Software with any software, apparatus or device not furnished by Seller; (ii) the use of ancillary equipment or software not furnished by Seller and that is attached to or used in connection with the Equipment or Motorola Software; (iii) any Equipment that is not Seller's design or formula; (iv) a modification of the Motorola Software by a party other than Seller; or (v) the failure by Customer to install an enhancement release to the Motorola Software that is intended to correct the claimed infringement. The foregoing states the entire liability of Seller with respect to an infringement claim.

#### **Section 14      LIMITATION OF LIABILITY**

Seller agrees to indemnify the Customer for the negligent acts of its elected officers, employees, servants and agents in connection with the performance of this Agreement. Except for personal injury, death, and claims for patent trademark or copyright infringement, Seller's total liability shall be limited to the Contract Price. In addition to the foregoing, Customer's tangible property that is damaged directly by Seller or that is proximately caused by Seller's negligence or wrongful conduct will be in addition to this limitation **ALTHOUGH THE PARTIES ACKNOWLEDGE THE POSSIBILITY OF SUCH LOSSES OR DAMAGES, EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, THEY AGREE THAT SELLER WILL NOT BE LIABLE FOR ANY COMMERCIAL LOSS; INCONVENIENCE; LOSS OF USE, TIME, DATA, GOOD WILL, REVENUES, PROFITS OR SAVINGS; OR OTHER SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES IN ANY WAY RELATED TO OR ARISING FROM THIS AGREEMENT, THE SALE OR USE OF THE EQUIPMENT OR SOFTWARE, OR THE PERFORMANCE OF SERVICES BY SELLER PURSUANT TO THIS AGREEMENT.** This limitation of liability will survive the expiration or termination of this Agreement.

#### **Section 15      INSURANCE COVERAGE**

Unless otherwise requested by the Customer, Seller shall cause to be issued insurance policies with the following coverage. Within ten (10) business days of the final execution of this Agreement, Seller shall also request from its insurance provider that a certificate of insurance be issued which identifies the Customer as an additional insured.

<b>Type of Insurance</b>		<b>LIMIT</b>	<b>AMOUNT</b>
General Liability		General Aggregate	\$5 million
	- Commercial General Liability		
	- Occurrence	Products - Comp/Op Aggregate	\$5 million
		Personal Injury	\$5 million
		Each Occurrence	\$5 million
		Fire damage	\$250,000
		Med Expense	\$10,000
Automobile Liability		Combined Single Limit	\$5 million
Workers Compensation		As Required by law	As required by law

#### **Section 16      CONFIDENTIALITY AND PROPRIETARY RIGHTS**

##### **16.1.      CONFIDENTIAL INFORMATION**



16.1.1. During the term of this Agreement, the parties may provide the other with Confidential Information. For the purposes of this Agreement, "Confidential Information" is any information disclosed in written, graphic, verbal, or machine-recognizable form, and is marked, designated, labelled or identified at the time of disclosure as being confidential or its equivalent; or if in verbal form is identified as confidential or proprietary at the time of disclosure and confirmed in writing within thirty (30) days of such disclosure. Notwithstanding any other provisions of this Agreement, confidential information shall not include any information that: (i) is or becomes publicly known through no wrongful act of the receiving party; (ii) is already known to the receiving party without restriction when it is disclosed; (iii) is, or subsequently becomes, rightfully and without breach of this Agreement, in the receiving party's possession without any obligation restricting disclosure; (iv) is independently developed by the receiving party without breach of this Agreement; or (v) is explicitly approved for release by written authorization of the disclosing party.

16.1.2. Concerning the Confidential Information provided to it by the other party, each party will: (i) maintain the confidentiality of such Confidential Information and not disclose it to any third party, except as authorized by the disclosing party in writing or as required by a court of competent jurisdiction; (ii) restrict disclosure of Confidential Information to its employees who have a "need to know" and not copy or reproduce such Confidential Information; (iii) take necessary and appropriate precautions to guard the confidentiality of Confidential Information, including informing its employees who handle such Confidential Information that it is confidential and not to be disclosed to others, but such precautions shall be at least the same degree of care that the receiving party applies to its own confidential information and shall not be less than reasonable care; and (iv) use such Confidential Information only in furtherance of the performance of this Agreement. Confidential Information is and shall at all times remain the property of the disclosing party, and no grant of any proprietary rights in the Confidential Information is hereby given or intended, including any express or implied license, other than the limited right of the recipient to use the Confidential Information in the manner and to the extent permitted by this Agreement.

16.1.3. Notwithstanding, Seller understands and acknowledges that the Customer is a government entity subject to the laws of the State of Tennessee, and that any reports, data or other information supplied to Customer by Seller may become subject to, and disclosed pursuant to, the Tennessee Open Records Act. Customer will provide Seller with notice of any request of disclosure of Seller's Confidential Information pursuant to such Act so that Seller may obtain a protective order or other injunctive relief preventing such disclosure.

## 16.2. PRESERVATION OF PROPRIETARY RIGHTS

16.2.1. Motorola and Printrak, as applicable, each owns and retains all of its Proprietary Rights in the Equipment and Software. The third party manufacturer of any Equipment and the copyright owner of any Non-Motorola Software own and retain all of their Proprietary Rights in the Equipment and Software. Nothing in this Agreement is intended to restrict the Proprietary Rights of Motorola, Printrak, any copyright owner of Non-Motorola Software, or any third party manufacturer of Equipment. All intellectual property developed, originated, or prepared by Motorola or Printrak in connection with providing to Customer the Equipment, Software, or related services remain vested exclusively in Motorola or Printrak, and this Agreement does not grant to Customer any shared development rights of intellectual property. This Agreement does not involve any Software that is a "work made for hire."

16.2.2. Except as explicitly provided in the Software License Agreement, nothing in this Agreement will be deemed to grant, either directly or by implication, estoppel, or otherwise, any right, title or interest in the Proprietary Rights of Motorola or Printrak. Concerning both the Motorola Software and the Non-Motorola Software, Customer agrees not to modify, disassemble, peel components, decompile, otherwise reverse engineer or attempt to reverse engineer, derive source code or create derivative works from, adapt, translate, merge with other software, reproduce, or export the Software, or permit or encourage any third party to do so.

## Section 17 GENERAL



17.1. TAXES. The Contract Price does not include any amount for federal, provincial, or local excise, sales, lease, service, rental, use, property, occupation, or other taxes, assessments or duties (other than federal, provincial, and local taxes based on Seller's income or net worth), all of which will be paid by Customer except as exempt by law. If Seller is required to pay or bear the burden of any such taxes, Seller will send an invoice to Customer and Customer will pay to it the amount of such taxes (including any applicable interest and penalties) within thirty (30) days after the date of the invoice. Customer will be solely responsible for reporting the Equipment for personal property tax purposes.

17.2. ASSIGNABILITY. Neither party may assign this Agreement without the prior written consent of the other party, except that Seller may assign this Agreement to any of its affiliates or its right to receive payment without the prior consent of Customer. Further, the affiliate to whom Seller may assign its rights to receive payment hereunder must have comparable financial strength.

17.3. SUBCONTRACTING. Seller may subcontract any portion of the work, but such subcontracting will not relieve it of its duties under this Agreement.

17.4. WAIVER. Failure or delay by either party to exercise any right or power under this Agreement will not operate as a waiver of such right or power. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (i) a future or continuing waiver of that same right or power, or (ii) the waiver of any other right or power.

17.5. SEVERABILITY. If a court of competent jurisdiction renders any provision of this Agreement (or portion of a provision) to be invalid or otherwise unenforceable, that provision or portion of the provision will be severed and the remainder of this Agreement will continue in full force and effect as if the invalid provision or portion of the provision were not part of this Agreement.

17.6. INDEPENDENT CONTRACTORS. Each party shall perform its activities and duties hereunder only as an independent contractor. The parties and their personnel shall not be considered to be an employee or agent of the other party. Nothing in this Agreement shall be interpreted as granting either party the right or authority to make commitments of any kind for the other. This Agreement shall not constitute, create, or in any way be interpreted as a joint venture, partnership or formal business organization of any kind.

17.7. HEADINGS AND SECTION REFERENCES; CONSTRUCTION. The section headings in this Agreement are inserted only for convenience and are not to be construed as part of this Agreement or as a limitation of the scope of the particular section to which the heading refers. This Agreement will be fairly interpreted in accordance with its terms and conditions and not for or against either party.

17.8. GOVERNING LAW. This Agreement and the rights and duties of the parties will be governed by and interpreted in accordance with the laws of the State of Tennessee in which the system is installed.

17.9. ENTIRE AGREEMENT. This Agreement, including all Exhibits, constitutes the entire agreement of the parties regarding the subject matter hereof and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to such subject matter. This Agreement may be altered, amended, or modified only by a written instrument signed by authorized representatives of both parties. The pre-printed terms and conditions found on any Customer purchase order, acknowledgment or other form will not be considered an amendment or modification of this Agreement, even if a representative of each party signs such document.

17.10. NOTICES. Notices required under this Agreement to be given by one party to the other must be in writing and either delivered in person or sent to the address shown below by certified mail, return receipt requested and postage prepaid (or by a recognized courier service with an asset tracking system, such as Federal Express, UPS, Purolator or DHL), or by facsimile with correct answerback received, and shall be effective upon receipt:

Customer



Attn: Wink Downen, Office of the Sheriff  
201 Poplar Ave.  
Memphis, TN 38103

Fax: \_\_\_\_\_

With a copy to:  
Attn: Contract Administration  
160 N. Main, Ste. 550  
Memphis, TN 38103  
Fax: 901-545-5739

Seller  
Attn: Contract Manager  
6000 Spin Road  
Boulder, CO 80301  
Fax: (303) 527-4226

17.11. COMPLIANCE WITH APPLICABLE LAWS. . Each party will comply with all applicable federal, provincial and local laws, regulations and rules concerning the performance of this Agreement or use of the system.

17.12. AUTHORITY TO EXECUTE AGREEMENT. Each party represents to the other that (i) it has obtained all necessary approvals, consents and authorizations to enter into this Agreement and to perform its duties under this Agreement; (ii) the person executing this Agreement on its behalf has the authority to do so; (iii) upon execution and delivery of this Agreement by the parties, it is a valid and binding contract, enforceable in accordance with its terms; and (iv) the execution, delivery, and performance of this Agreement does not violate any bylaw, charter, regulation, law or any other governing authority of the party.

17.13. SURVIVAL OF TERMS. The following provisions shall survive the expiration or termination of this Agreement for any reason: Sections 3.6 and 3.7 (concerning Software licensing); Section 10 (Disputes); Section 13 (Limitation of Liability); 14.1 (Confidential Information); and 14.2 (Preservation of Proprietary Rights).

17.14 RECORDS. During all phases of the work to be provided hereunder Seller agrees to permit duly authorized agents and employees of the Customer to enter Seller's offices for the purpose of inspections, reviews and audits during normal working hours, accompanied by duly authorized agents or employees of the Seller. Reviews may also be accomplished at meetings that are arranged at mutually agreeable times and places. The Customer's audit or inspection of records is limited to the verification of shipment to invoice quantities and shipment receipts ("Documents"). The Seller will maintain and make such Documents available at their offices at all reasonable times during the period of this Agreement and for three (3) years from the date of payment under this Agreement for inspection by the Customer or by any other governmental entity or agency participating in the funding of this Contract, or any authorized agents thereof, copies of the Documents to be furnished if requested. Copies of Seller's Documents provided to the Customer pursuant to this provision shall not be used, duplicated, or disclosed to any other third party without the express written permission of Seller. In no circumstances will Seller be required to create or maintain books and records not kept in the ordinary course of Seller's business operations, nor will Seller be required to disclose any information, including but not limited to product cost data, which Seller considers to be confidential, proprietary or trade secret.

17.15. CONFLICT OF INTEREST. Seller covenants that it has no public or private interest, and will not acquire directly or indirectly any interest which would conflict in any manner with the performance of the work. Seller warrants that no part of the total Contract Price provided herein shall be paid directly or



indirectly to any officer or employee of the Customer as wages, compensation, or gifts in exchange for acting as officer, agent employee, subcontractor or contractor to Seller in connection with any work contemplated or performed relative to this Agreement.

17.16. NON-DISCRIMINATION. Seller hereby agrees, warrants and assures that no person shall be excluded, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Agreement or in its employment practices because of age, race, color, religion, sex, or national origin. In regards to employment, such action shall include, but not be limited to, the following situations: recruiting and related advertising, layoff or termination, upgrading, demotion, transfer, rates of pay and compensation, and section for training, including apprenticeship. Seller will post in conspicuous places notices setting forth the provisions of this non-discrimination clause.

17.17. ANTI-KICKBACK. Except for bona fide employees, consultants and lobbyists, Seller warrants that it has not employed or retained any company or person other than a bona fide employee, consultant or lobbyist working for the Seller, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee consultant or lobbyist working for the Seller any fee commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, Customer will have the right to recover the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.

17.18. SMALL BUSINESS CONTRACTING. Seller shall take affirmative action to assure that locally owned small businesses (LOSBS) of Customer are utilized when possible as sources of supplies, equipment, construction and services, and will, in addition, take similar appropriate affirmative action in support of Women's Business Enterprises (WBE's). Seller agrees to use its best efforts to finalize any subcontracts with any LOSB or WBE within thirty (30) days of the execution of this Agreement. In no event shall any work commence under this Agreement until such time as Seller and Customer agree that Seller's obligations under this provision has been met. Customer agrees to provide affirmative assistance to Seller in order to identify qualified and certified LOSBs or WBEs for Seller's construction/civil work under this Agreement.

17.19. SUBJECT TO FUNDING. This Agreement is subject to appropriation of funds by the Customer's legislative body. In the event sufficient funds for this Agreement are not appropriated by Customer's legislative body for any of its fiscal periods during the terms hereof, then this Agreement will be terminated. In the event of such termination, Seller shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the termination.

The parties hereby enter into this Agreement as of the Effective Date.

<b>Seller</b>	<b>Customer</b>
By: <u>Raffie Beroukhim</u>	By: _____
Name: <u>RAFFIE BEROUKHIM</u>	Name: _____
Title: <u>VP, WORLDWIDE SALES</u>	Title: _____
Date: <u>8-14-08</u>	Date: _____